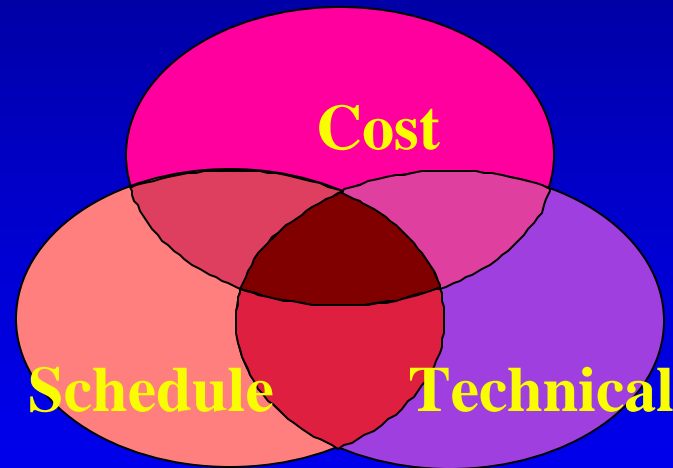


# **Implementing the Earned Value MANAGEMENT Paradigm**

**13th Annual PMA International Conference**

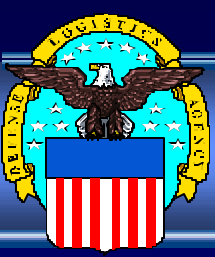
**Newport Beach, CA. April 13-16, 1997.**



**Maj Gen Robert W. Drewes, USAF**

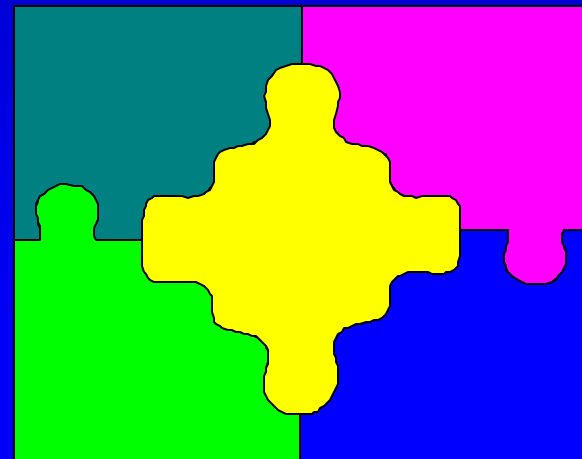
**Commander, Defense Contract Management Command**

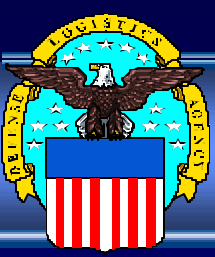
REPORT DOCUMENTATION PAGE				Form Approved OMB No. 0704-0188	
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# Outline

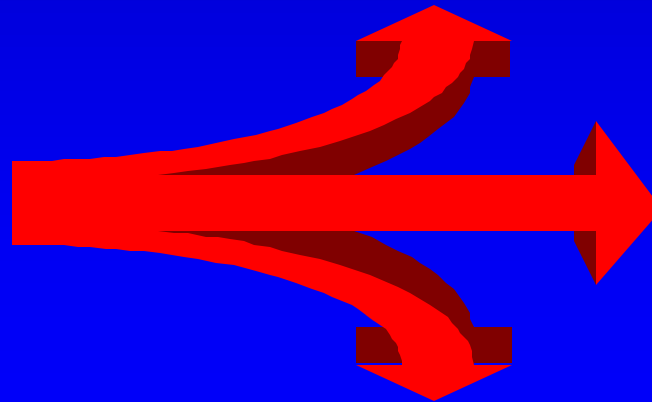
- Introduction
- What has changed in the new paradigm?
- Implementation actions & accomplishments
- The road ahead

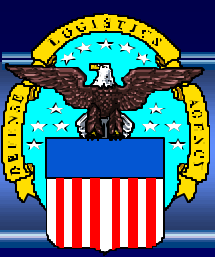




# Introduction

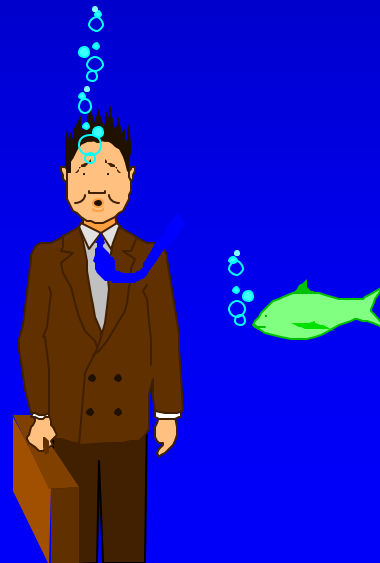
- **Moving from policy change to implementing new practices**
- **DCMC commitment to EVM and partnering**
- **Implementation is a challenge!**

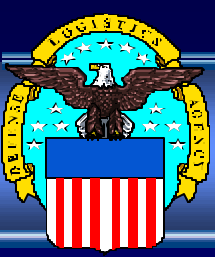




# DoD Challenges

- **Adopt the new paradigm**
- **Reorientation from oversight to insight**
- **Reorientation from compliance to management value**

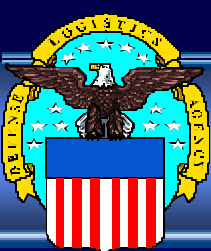




# Industry Challenges

- **Opportunity for reinventing EVMS**
- **Responsible ownership is the key**
- **System improvements**
  - **redress any imposed madness**
  - **brush away cobwebs, update & streamline**
  - **move from Reporting to Management**





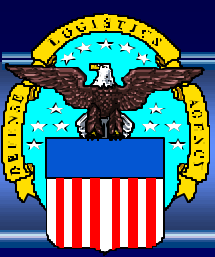
# Earned Value Management From C/SCSC to EVMS

*Earned Value Management Systems (EVMS) has  
replaced DoD Cost/Schedule Control Systems  
Criteria (C/SCSC)*



*Please welcome  
EVMS*





# DoD Earned Value Management Results/Performance vs. Compliance Focus

## What's In

### Contractor Ownership

### Advance Agreements

- Use System
- Joint surveillance

### Effective System Changes

- Streamlining Encouraged
- SPI Opportunity

### Results & Performance

- Risk/Program Mgmt. Tool

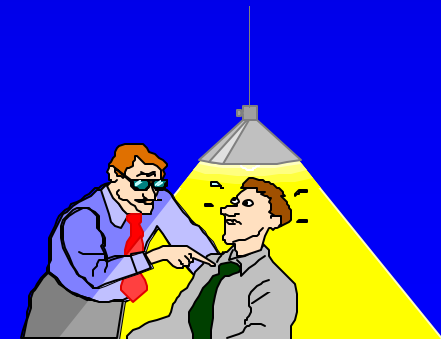


## What's Out

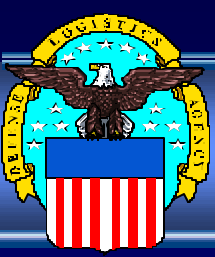
### Regular Government

### Reviews

- ESARs & SARs
- Paper systems
- Checklists







# DoD Earned Value Management Project Management Ownership vs. Financial

## What's In

### Project Management Ownership

- Using earned value to inform project management process
- More real time & forward looking
- Project Control groups support PM & CAMs

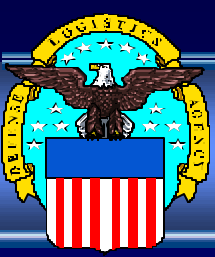


## What's Out

### Financial Management Ownership

- Emphasis on reporting
- Project Management spectators

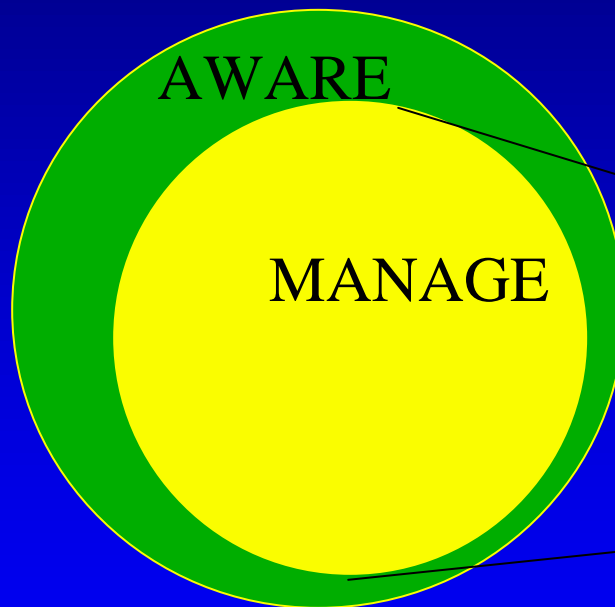




# Earned Value Management Acquisition Considerations

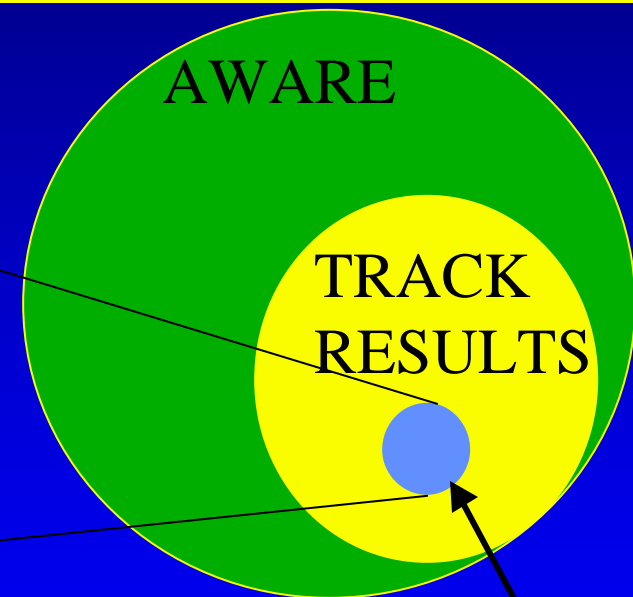
From Oversight to Insight

WHERE WE'VE BEEN:



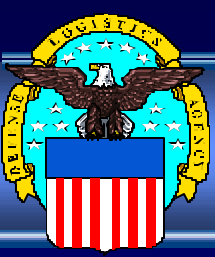
Earned Value  
Report Generator

WHERE WE'RE GOING:



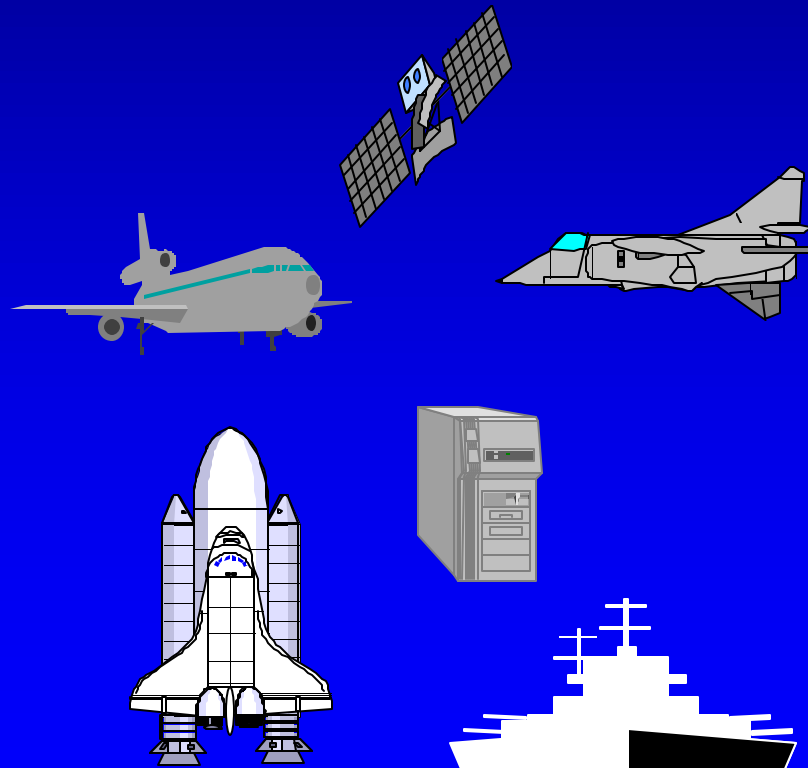
Management  
Tool

MANAGE

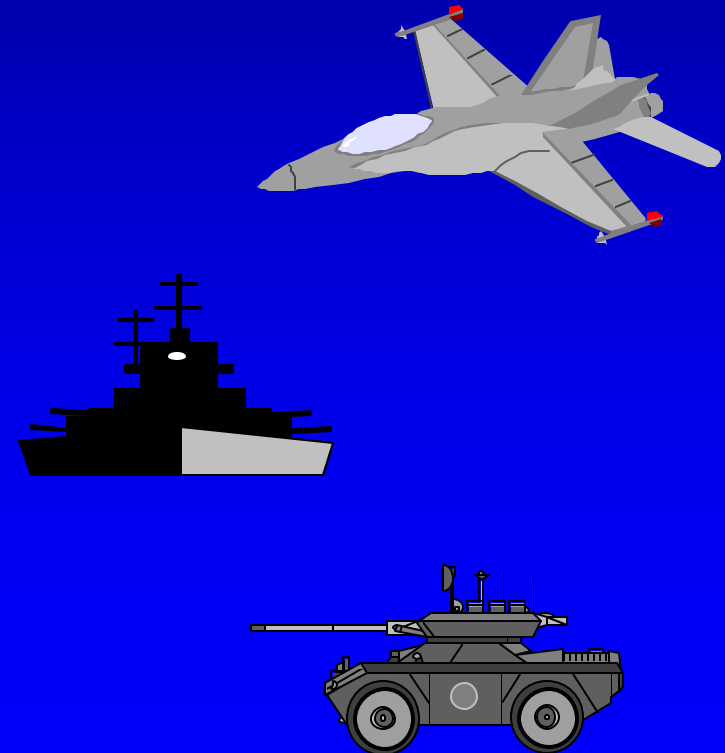


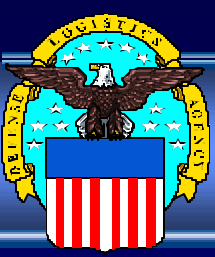
# DoD Earned Value Management Management Systems Requirements

## What's In Government Wide & Commercial Acceptance



## What's Out DoD Unique Requirements

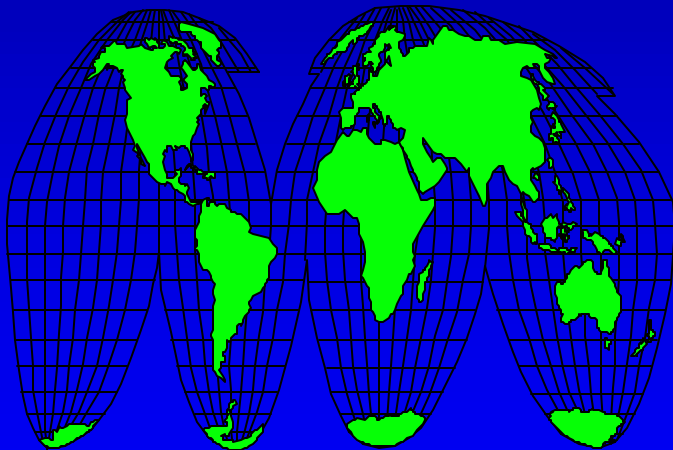




# DoD Earned Value Management International Acceptance

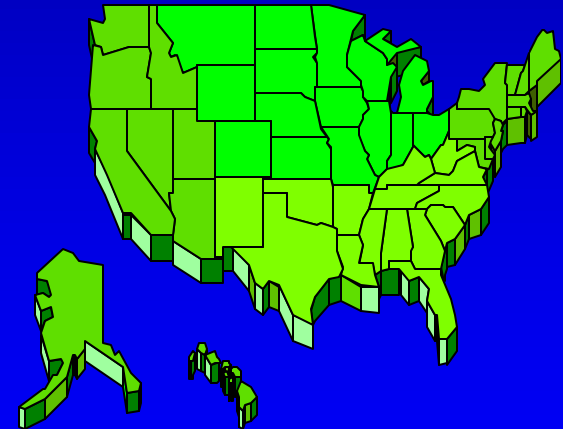
## What's In

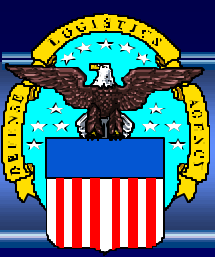
Common International Project  
Mgmt. Practices



## What's Out

US unique Requirements





# DoD Earned Value Management Electronic Reporting

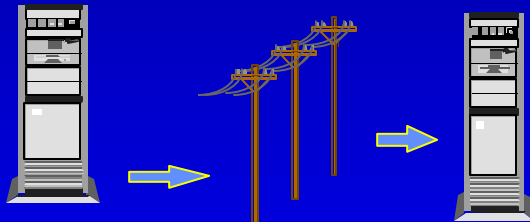
## What's In

Electronic Data

Access/Submissions

Contractor

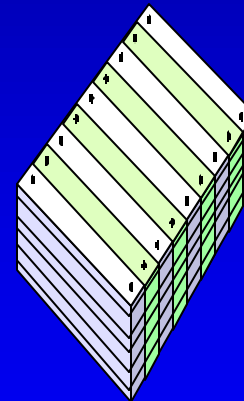
Customer



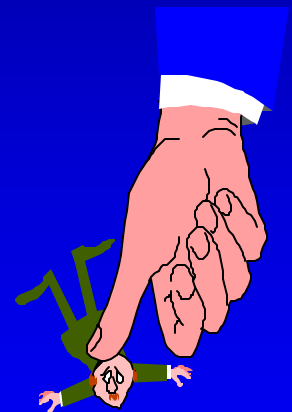
## What's Out

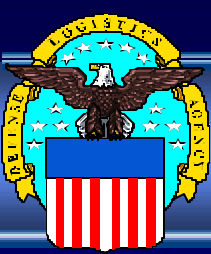
Untimely/Non-automated Paper

Data Submissions



=

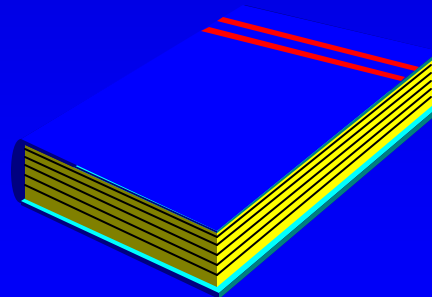


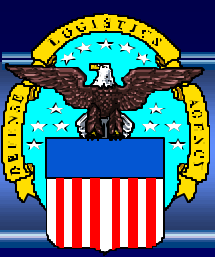


## Action & Accomplishments

### POLICY & PROCEDURES

- **New DoD 5000.2-R Policy on EVMS: Completed ...Dec 96**
- **Revised Joint Implementation Guide: Completed ... Dec 96**
- **New DFARS Clauses on EVMS: Interim Rule Published ... Mar 97**

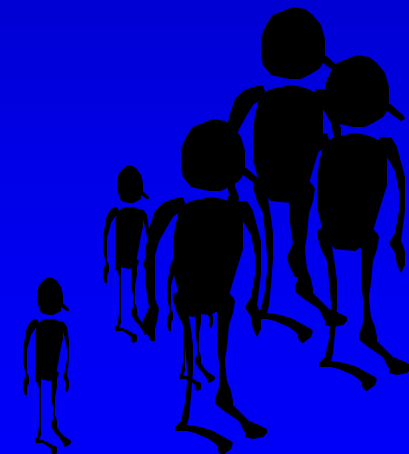
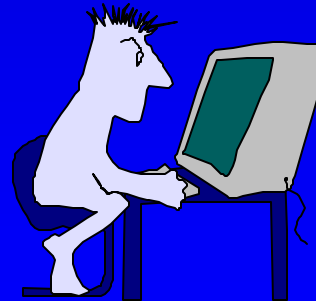
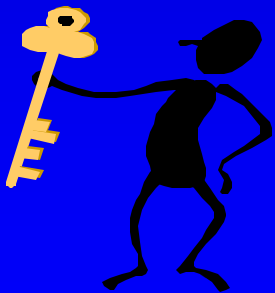


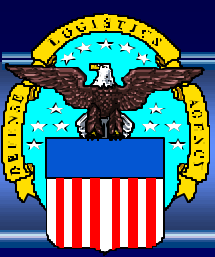


## Action & Accomplishments (2)

### EQUIPPING FOR THE MISSION

- DCMC Earned Value Management Center to be established
- Earned Value Management Mini-Conferences
- Development of Earned Value Management Metrics
- Analysis Tools and Training





## Accomplishments (3)

### Industry Initiatives

#### EVMS Guidelines and ANSI/ISO

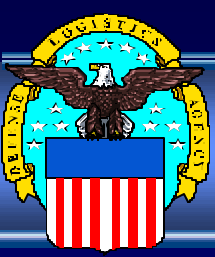
#### Contractors streamlining & upgrading their EVMS

- LM E&M, Orlando FL
- LM Information Systems Orlando FL
- Raytheon Electronic Systems, Bedford MA
- LM Tactical Aircraft Systems Ft Worth TX
- Raytheon-Texas Instruments Dallas TX

**You are all invited to play - lets hear from a whole lot more of you through the Management Councils.**



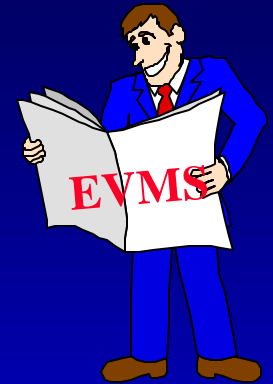




# The Road Ahead!!

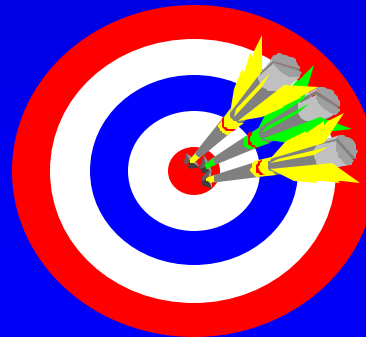
## Industry Ownership

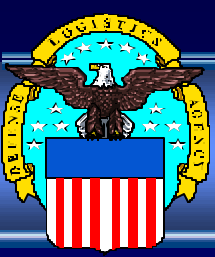
- Use systems as management tools
- Further progress towards “Real Industry Standard”



## Effective Process-Based Surveillance

- Industry defines processes IAW how they plan to manage programs
- Industry/DCMC jointly determine how to measure processes
- Corrective actions & process improvements





## The Road Ahead!! (2)

**Earned Value effectively integrated with:**

- Risk Management Practices
- Software Development/Management Processes
- Systems Engineering Processes

**Net Result: DCMC is **RIGHT** organization to ensure success of Earned Value Management**

